

Washington State Auditor's Office
Accountability Audit Report

Moses Lake Conservation District
Grant County

Audit Period
January 1, 1999 through December 31, 2001

Report No. 63714

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Washington
State Auditor
Brian Sonntag

Audit Summary

Moses Lake Conservation District Grant County January 1, 1999 through December 31, 2001

ABOUT THE AUDIT

This report contains the results of our independent audit of the Moses Lake Conservation District for the period January 1, 1999, through December 31, 2001. We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. Our work focused on specific areas that had potential for abuse or misuse of public resources. A special focus of our audit was the District's cash-receipting process.

RESULTS

The District complied with state laws and regulations and its own policies and procedures in the areas we examined.

RELATED REPORTS

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements.

CLOSING REMARKS

We appreciate the District's prompt attention to resolving prior audit issues and its commitment to ensure compliance with conditions reported this audit. We also thank District officials and personnel for their assistance and cooperation.

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Description of the District

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ABOUT THE DISTRICT

We audit the Moses Lake Conservation District on a three-year basis. In the past two audits of the District we have reported one finding. The audit contained an internal control finding involving cash receipts.

District officials have taken steps to correct deficiencies noted in prior findings. This reflects the District's commitment to implement internal controls.

AUDIT HISTORY

The District was established in 1953 to preserve and conserve the natural resources of its District boundaries. It employs two full-time employees and four to six part-time employees to operate the District and a nursery. The District also operates a nursery that sells plants and trees.

The District acts as its own treasurer and has recently contracted with a local accounting firm for bookkeeping services. The District receives approximately \$250,000 in revenues each year and operates with an approximate \$250,000 budget.

The District has a five-member Board of Supervisors. Through review of the Board minutes, we noted changes in Board Members were made during the audit period.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Supervisors:
Chairman

Dale Gies
Dan Roseburg
Maggie Kubo
Stan Meyer
Wally Morris (resigned February 2000)
Ron Welch (March 2000 through December 2000)
Rex Chamberlain (effective March 2001)

APPOINTED OFFICIALS

District Manager
Nursery Supervisor

Cary Munce
Karen Haven-Munce

ADDRESS

District

1775 SE Highway 17
Moses Lake, WA 98837-9326
(509) 765-5333

Audit Areas Examined

Moses Lake Conservation District Grant County January 1, 1999 through December 31, 2001

In keeping with general auditing practices, we do not examine every portion of the Moses Lake Conservation District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

LEGAL COMPLIANCE

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Ethics/conflict of interest laws
- Open Public Meetings Act
- Legal and supported payments
- Allowable expenditures

INTERNAL CONTROL

We evaluated the following areas of the District's internal control structure:

- Cash receipting
- Billings and accounts receivables
- Inventory system
- Expenditures
- Small and attractive assets

FINANCIAL AREAS

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements and other required financial information. The financial activity and balances were examined, which included a review of:

- Revenues
- Cash and investments
- Expenditures
- Overall presentation of financial statements